### **BEFORE**

# THE PUBLIC SERVICE COMMISSION

# OF SOUTH CAROLINA

Docket No. 2019-290-WS

In Re:	)	
	)	PETITION FOR RECONSIDERATION AND
Application of Blue Granite Water	)	COMMENTS REGARDING STAY AND
Company for Approval to Adjust Rate	)	ACCOUNTING ORDER OF BLUE GRANITE
Schedules and Increase Rates	)	WATER COMPANY
	)	

Pursuant to S.C. Code Ann. §§ 1-23-380 and 58-5-330, S.C. Code Ann. Regs. 103-825 and 103-854, and applicable law, Blue Granite Water Company ("Blue Granite" or the "Company") petitions the Public Service Commission of South Carolina (the "Commission") to reconsider certain rulings contained in Order No. 2020-758, which was served on the Company on November 6, 2020. This pleading may also stand in the place of the Company's comments pursuant to the provision in Order No. 2020-758 that parties have "further opportunity to be heard on the Company's Conditional Petition for Approval of Accounting Order before this Commission's preliminary Stay has expired." The Company reserves the right to respond to any comments filed by other parties pursuant to same.

# I. Background

In Order No. 2020-758 issued in this proceeding, the Commission (i) approved the bond filed by the Company pursuant to S.C. Code Ann. § 58-5-240(D); (ii) ordered that the stay of the Company's implementation of rates under bond imposed by Order No. 2020-549 continue until December 31, 2020; and (iii) granted the Company's request for an accounting order and ordered that it remain in effect until December 31, 2020. Order No. 2020-758 also stated that the parties

to this proceeding "will have further opportunity to be heard before the Commission's preliminary Stay has expired," and that the Commission will consider renewal of the accounting order at a later date. For the Commission's information, the bond obtained from Liberty Mutual Insurance Company and filed with the Commission on August 17, 2020 remains valid and in effect.

# II. Petition for Reconsideration & Comments

The Company requests reconsideration of the Commission's imposition of the stay, and reasserts and incorporates by reference the positions articulated in its petition for reconsideration filed on September 4, 2020, namely that: (i) the Commission lacks the requisite authority to stay the implementation of rates under bond, and therefore the stay is an *ultra vires* act; (ii) the substitute arrangements contemplated by the plain language of S.C. Code Ann. § 58-5-240(D) are "for the bond," and such does not confer upon the Commission the authority to stay a utility's right to implement rates under bond; (iii) an accounting order, in contrast to implementing rates protected by a guarantee, is not a "substitute" as contemplated and required by S.C. Code Ann. § 58-5-240(D); (iv) the Commission's stay of Blue Granite's implementation of rates under bond is arbitrary and capricious; (v) the stay violates the Company's substantive due process rights by depriving the Company of a property interest granted by state law; and (vi) other grounds stated in the previous request for reconsideration. Given these issues, the Company believes that the stay should be immediately lifted.

Notwithstanding and without waiving the aforementioned positions opposing the stay, the Company seeks reconsideration of the Commission's end date of December 31, 2020 for the accounting order. Blue Granite needs at least 45 days to provide notice of the rate change to customers, i.e., a 30-day billing cycle and additional lead time to prepare issuance. In an effort to avoid customer confusion, the Company should not begin to provide notice of the rate change

beginning on December 1, 2020 if it is not certain the Company will be permitted to implement rates under bond beginning January 1, 2021. For these reasons, the Company requests that the Commission reconsider its ruling that the accounting order end precisely on December 31, 2020, and instead find that the accounting order will end only after the Company has had an adequate opportunity to prepare to issue the customer notice of the rate change, and has had a 30-day billing cycle to issue the customer notice. Blue Granite believes that such an arrangement is in customers' interest as it will avoid the confusion and unnecessary expense that would result from issuing a notice beginning December 1, 2020 and then potentially needing to rescind and reissue the notice.

WHEREFORE, Blue Granite requests that the Commission reconsider certain rulings contained in Order No. 2020-758, as explained herein.

Respectfully submitted,

s/Samuel J. Wellborn

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Attorneys for Blue Granite Water Company

Columbia, South Carolina November 20, 2020

# BEFORE THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA Docket No. 2019-290-WS

IN RE:	)
Application of Blue Granite Water Company for Approval to Adjust Rate Schedules and Increase Rates	) CERTIFICATE OF SERVICE )

This is to certify that I, Toni C. Hawkins, a paralegal with the law firm of Robinson Gray Stepp & Laffitte, LLC have this day served a copy of the **Petition for Reconsideration and Comments Regarding Stay and Accounting Order of Blue Granite Water Company** in the referenced matter to the parties listed below by electronic mail:

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Dated at Columbia, South Carolina, this <u>20<sup>th</sup></u> day of <u>November</u>, 2020.

Joui C. Hawkins